

Senate File 1 - Introduced

SENATE FILE _____
BY DEARDEN, APPEL, BEALL,
BLACK, BOLKCOM, CONNOLLY,
COURTNEY, DANIELSON,
DOTZLER, DVORSKY, FRAISE,
GRONSTAL, HANCOCK, HATCH,
HECKROTH, HOGG, HORN,
KIBBIE, KREIMAN, McCOY,
OLIVE, QUIRMBACH, RAGAN,
RIELLY, SCHMITZ,
SCHOENJAHN, SENG, STEWART,
WARNSTADT, and WOOD

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the state minimum hourly wage rate, indexing
2 the rate for inflation, and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1681SS 82
5 kh/gg/14

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1 1 Section 1. Section 91D.1, subsection 1, paragraphs a and
1 2 b, Code 2007, are amended to read as follows:
1 3 a. (1) The state hourly wage stated in the federal
1 4 minimum wage law, pursuant to 29 U.S.C. } 206, shall be
1 5 increased to \$3.85 on January 1 of 1990, \$4.25 on January 1 of
1 6 1991, and \$4.65 on January 1 of 1992 at least \$6.20 as of
1 7 April 1, 2007, and \$7.25 as of January 1, 2008.
1 8 (2) No later than September 30, 2008, and each September
1 9 30 thereafter, the labor commissioner shall calculate an
1 10 adjustment of the wage amount specified in subparagraph (1)
1 11 based upon the increase, from August of the preceding year to
1 12 August of the year in which the calculation is made, in the
1 13 United States city average consumer price index for all urban
1 14 consumers for all items as prepared by the bureau of labor
1 15 statistics of the United States department of labor or its
1 16 successor. The wage amount established under this
1 17 subparagraph shall be rounded to the nearest five cents and
1 18 shall take effect as the state minimum hourly wage rate,
1 19 replacing the amount specified in subparagraph (1), on January
1 20 1 of the following year.
1 21 b. Every employer, as defined in the federal Fair Labor
1 22 Standards Act of 1938, as amended to January 1, 2007, shall
1 23 pay to each of the employer's employees, as defined in the
1 24 federal Fair Labor Standards Act of 1938, as amended to
1 25 January 1, 2007, wages of not less than the state hourly wage
1 26 stated in paragraph "a", or the current federal minimum wage,
1 27 pursuant to 29 U.S.C. } 206, or the wage rate stated in
1 28 paragraph "a" as amended, whichever is greater.
1 29 Sec. 2. Section 91D.1, subsection 1, paragraph d, Code
1 30 2007, is amended by striking the paragraph.
1 31 Sec. 3. EFFECTIVE DATE. This Act, being deemed of
1 32 immediate importance, takes effect upon enactment.
1 33 EXPLANATION
1 34 This bill raises the state's hourly minimum wage to \$6.20
1 35 beginning April 1, 2007, and to \$7.25 beginning January 1,
2 1 2008; increases the state minimum hourly wage rate annually
2 2 thereafter based on the yearly increase in the consumer price
2 3 index; and eliminates a separate, lower minimum wage for
2 4 employees who have worked less than 90 days for an employer.
2 5 The bill adds the words "as amended to January 1, 2007",
2 6 following citations to the federal Fair Labor Standards Act of
2 7 1938, to conform the state minimum wage law to federal law in
2 8 terms of its applicability to employers and employees as of

2 9 that date.

2 10 The federal minimum wage laws have primacy over state
2 11 minimum wage laws unless the state sets a higher minimum wage.
2 12 The federal hourly minimum wage, which took effect September
2 13 1, 1997, is \$5.15. The federal subminimum, or youth, wage for
2 14 employees under 20 years of age during their first 90
2 15 consecutive calendar days of employment with an employer is
2 16 \$4.25 an hour.

2 17 The bill takes effect upon enactment.

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2 19 kh:rj/gg/14.3